

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED WATER)	CASE NO.
ADJUSTMENT FILING OF LARUE COUNTY)	2020-00132
WATER DISTRICT NO. 1)	

ORDER

On April 20, 2020, LaRue County Water District No. 1 (LaRue District No. 1) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

In a review of the Commissions records from 1985 to the present dates, the Commission notes that its records indicate LaRue District No. 1 has never sought a general base rate adjustment. The lack of insight into LaRue District No. 1's financial records indicates to the Commission that LaRue District No. 1 should file an application for a traditional adjustment in rates or an alternative rate adjustment within one year of the date of this Order to ensure its revenue is sufficient to support adequate and reliable service.

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that:

1. LaRue District No. 1 purchases water from the city of Campbellsville (Campbellsville), Green-Taylor Water District (Green-Taylor District), the city of

¹ KRS 278.015; 807 KAR 5:068.

Bardstown (Bardstown), the city of New Haven (New Haven), Green River Valley Water District (Green River Valley District), and the city of Hodgenville (Hodgenville).

2. New Haven notified LaRue District No. 1 that its wholesale rate would increase from \$2.330 per 1,000 gallons to \$2.853 per 1,000 gallons effective February 17, 2020. LaRue District No. 1 proposes to increase the water rates to its customers effective April 1, 2020, to reflect the increased cost of purchased water from New Haven.

3. LaRue District No. 1 proposed a purchased water adjustment factor of \$0.04 per 1,000 gallons in its application.

4. During the 12 months ended March 31, 2020, LaRue District No. 1 purchased 13,408,100 gallons of water from Campbellsville, 3,280,200 gallons of water from Green-Taylor District, 26,523,200 gallons of water from Bardstown, 11,008,200 gallons of water from New Haven, 95,927,400 gallons of water from Green River Valley District, and 41,416,650 gallons of water from Hodgenville. During the same period, LaRue District No. 1 sold 167,552,303 gallons of water. The increase in the cost of purchased water is \$5,757.28, resulting in a purchased water adjustment factor of \$0.04 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.04 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

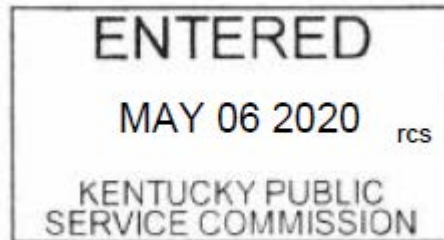
6. LaRue District No. 1's proposed rates are approved.

7. The rates, as set forth in Appendix B to this Order, are fair, just, and reasonable, and should be approved for water service rendered by LaRue District No. 1 on and after April 1, 2020.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.04 per 1,000 gallons is approved.
2. The rates proposed by LaRue District No. 1 are approved.
3. The rates, as set forth in Appendix B to this Order, are approved for water service rendered by LaRue District No. 1 on and after April 1, 2020.
4. Within 20 days of the date of entry of this Order, LaRue District No. 1 shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.
5. LaRue District No. 1 should file an application for a traditional adjustment in rates or an alternative rate adjustment within one year of the date of entry of this Order.
6. This case is closed and removed from the Commission's docket.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2020-00132 DATED MAY 06 2020

	New Rate	Base Rate
Green River Valley District		
Purchases in Gallons	95,927,400	95,927,400
Wholesale rate	<u>No Change</u>	<u>\$2.590/1,000</u>
Green-Taylor District		
Purchases in Gallons	3,280,200	3,280,200
Wholesale rate	<u>No Change</u>	<u>\$2.890/1,000</u>
Bardstown		
Purchases in Gallons	26,523,200	26,523,200
Wholesale rate	<u>No Change</u>	<u>\$2.450/1,000</u>
New Haven		
Purchases in Gallons	11,008,200	11,008,200
Wholesale rate	<u>\$2.853/1,000</u>	<u>\$2.330/1,000</u>
	\$31,406.39	\$25,649.11
Campbellsville		
Purchases in Gallons	13,408,100	13,408,100
Wholesale rate	<u>No Change</u>	<u>\$2.350/1,000</u>
Hodgenville		
Purchases in Gallons	41,416,650	41,416,650
Wholesale rate	<u>No Change</u>	<u>\$2.100/1,000</u>
Total	\$31,406.39	\$ 25,649.11
Increased water cost		\$ 5,757.28
Increased water cost		\$ 5,757.28
Divided by Gallons sold/1,000		<u>167,552,303</u>
Purchased water adjustment factor		\$ 0.0344per 1,000 Gallons
		or \$ 0.040 per 1,000 Gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2020-00132 DATED MAY 06 2020

The following rates and charges are prescribed for the customers in the area served by LaRue County Water District No. 1. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8" X 3/4" Meter

First	1,000	Gallons	\$ 15.44	Minimum bill
Next	4,000	Gallons	7.13	per 1,000 Gallons
Next	5,000	Gallons	6.37	per 1,000 Gallons
All Over	10,000	Gallons	5.20	per 1,000 Gallons

3/4" Meter

First	3,000	Gallons	\$ 29.69	Minimum bill
Next	2,000	Gallons	7.13	per 1,000 Gallons
Next	5,000	Gallons	6.37	per 1,000 Gallons
All Over	10,000	Gallons	5.20	per 1,000 Gallons

1" Meter

First	5,000	Gallons	\$ 43.95	Minimum bill
Next	5,000	Gallons	6.37	per 1,000 Gallons
All Over	10,000	Gallons	5.20	per 1,000 Gallons

1-1/2" Meter

First	10,000	Gallons	\$ 75.78	Minimum bill
All Over	10,000	Gallons	5.20	per 1,000 Gallons

2" Meter

First	20,000	Gallons	\$ 127.76	Minimum bill
All Over	20,000	Gallons	5.20	per 1,000 Gallons

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